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DE RUEHC #8639 2661312
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FM SECSTATE WASHDC
TO RUEHML/AMEMBASSY MANILA PRIORITY 0000
INFO RUETIAA/DIRNSA FT GEORGE G MEADE MD
RUEAIIA/CIA WASHINGTON DC
RHMCSUU/FBI WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RUCPDOG/USDOC WASHINGTON DC 0000

UNCLAS STATE 098639

SENSITIVE
SIPDIS
MANILA FOR GRAZNYA COFFIN

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [RP](#)
SUBJECT: BLUE LANTERN LEVEL 2: PRE-LICENSE END-USE CHECK
ON LICENSES 050175550, 050189258, AND 050189260

¶1. (U) This is an Action Request. See paragraph 4.

¶2. (U) The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a pre-license checks on licenses 050175550, 050189258 and 050189260 for the export of pistols to the Philippines. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. (SBU) Reason for Request: Information obtained by PM/DTCC indicates that foreign consignee Trust Trade may be using fraudulent supporting documentation to import Glock handguns into the Philippines for resale and possible re-export. The information also suggests that individuals within the Government of the Philippines with authority to issue import certificates and/or government purchase orders may be knowingly providing these fraudulent documents (NOTE: This information may lead to a criminal investigation and should be held closely. END NOTE). This request is for Post to establish the bona fides of these transactions and Trust Trade.

¶4. (U) Action Request: Post is requested to establish the bona fides of these transactions and foreign consignee Trust Trade by making inquiries to representatives of the company and appropriate authorities of the Government of the Philippines. The following points are included for guidance:

(To Trust Trade)

--When was your company established and who are its principals?

--Your purchase order indicates that your company is owned by GIGI Industries Inc. When was that company established and who are its principals? Where does that company reside? What other companies does GIGI Industries own and/or operate? Where do those companies reside?

--What products and services does your company provide? Who are your regular customers and where do they reside?

--What are your annual sales of U.S.-origin firearms?

--How did your company become a distributor of Glock firearms in the Philippines? When was this relationship established? What are your annual sales of Glock firearms and who are the typical customers? Who is your usual liaison with Glock (HK) Limited of Hong Kong? With Glock Inc. of the United States? Do you direct all of your purchase orders to Glock (HK) Limited (vice Glock Inc. of the United States)?

--For the transactions involving the Philippine National Police, will your company ever have physical possession of those firearms? Please provide all documentation for those transactions.

--Are you familiar with the regulations governing the import of U.S.-origin defense articles, including restrictions on re-transfer or re-export?

(To Philippine National Police)

--Can the PNP confirm the order of the firearms listed on license applications 05017550 and 050189258?

--Can you confirm that the firearms listed below are being purchased for official use by the PNP?

--Why didn't the Chief Accountant sign Purchase Order No. PNPPPO#0-092508-017 as Mr. Antonio P Petrato had for PNPPPO#O-270709-011?

(To Appropriate Import/Export and/or Law Enforcement Authorities)

--Is Trust Trade legally permitted to own and/or operate a firearms business in the Philippines?

--Is GIGI Industries legally permitted to own and/or operate a firearms business in the Philippines?

--Do you have any information on Trust Trade or GIGI Industries that would question their reliability as a recipient of U.S. defense articles?

In its reply, Post is encouraged to comment on any other information pertinent to these transactions such as security of facilities, end-use, and concerns about the entities involved.

15. (U) Details of license applications:

1A.

DTC Case: 050175550 (NOTE: This license was approved by PM/DTCC but no shipment has yet been made)

QUANTITY/COMMODITY:

2,000 Glock Model 17 Pistols, 9mm

2,000 9mm Magazines

License Value: USD \$536,000

SELLER:

Glock Inc
6000 Highlands Parkway
Smyrna, GA 30082

FOREIGN CONSIGNEE:

Trust Trade
Unit 22 Facilities Centre Building, Shaw Blvd.
Mandaluyong
Philippines
Tel: (63-2) 531.1327/42
Email: trusttrad@skyinet.net

END-USER:

Philippines National Police
Camp Crame
Quezon City
Philippines

PURPOSE:

For use by Philippines Police in the Philippines.

B.

DTC Case: 050189258 (NOTE: Being held by PM/DTCC pending Blue Lantern results)

QUANTITY/COMMODITY:

392 Glock Model 17 Pistols, 9mm

392 9mm Magazines

392 Spring Cups

License Value: USD \$104,859

SELLER:

Glock Inc
6000 Highlands Parkway
Smyrna, GA 30082

FOREIGN INTERMEDIATE CONSIGNEE:

Airlift Asia Inc.
PO Box 7650
Manila
Philippines

FOREIGN CONSIGNEE:

Trust Trade
Unit 22 Facilities Centre Building, Shaw Blvd.
Mandaluyong
Philippines
Tel: (63-2) 531.1327/42
Email: trusttrad@skyinet.net

END-USER:

Philippines National Police
Camp Crame
Quezon City
Philippines

PURPOSE:

For use by Philippines Police in the Philippines.

C.

DTC Case: 050189258 (NOTE: Being held by PM/DTCC pending Blue Lantern results)

QUANTITY/COMMODITY:

100 Glock Model 17 Pistols, 9mm

100 Glock Model 17 Pistols, 9mm (NOTE: This appears to be a typo, as the supporting documentation lists these as Model 19 pistols)

200 9mm Magazines

License Value: USD \$53,396

SELLER:

Glock Inc
6000 Highlands Parkway
Smyrna, GA 30082

FOREIGN INTERMEDIATE CONSIGNEE:

Airlift Asia Inc.
PO Box 7650
Manila

Philippines

END-USER:

Trust Trade
Unit 22 Facilities Centre Building, Shaw Blvd.
Mandaluyong
Philippines
Tel: (63-2) 531.1327/42
Email: trusttrad@skyinet.net

PURPOSE:

For commercial resale in the Philippines.

16. (U) Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts upon request):

1A.

DSP-83 signed by Carlos Guevara (Glock) dated 06/17/2009; George Quinto Piano (Police Chief Superintendent) dated 05/22/2009; and Joselyn Gutierrez-Jose (Trust Trade) dated 05/14/2009.

Import Authorization No. PI-F243-08 issued by the Philippine National Police to Trust Trade signed by Jesus A Verzosa (Police Director General) and Atty Ermilando O Villafuerte (Illegible) dated 10/10/2008.

Contract Between Glock and Philippine National Police signed by Charlemagnes Alejandrino (Police Director for Logistics), Teodorido R Lapuz IV (Police Chief Superintendent), Avelino I Razon (Police Director General), Joselyn Gutierrez-Jose (Trust Trade), Rebecca D Vidal (Trust Trade), and Illegible (Notary Public). Doc. No. 457, Page No. 92, Book No. I, Series of 2008.

Purchase Order No. PNPPPO#0-092508-017 issued by the PNP Logistics Support Service signed by Atty Ermilando O Villafuerte (Illegible), Teodorido R Lapuz IV (Police Chief Superintendent), Avelino I Razon (Police Director General), and Joselyn Gutierrez-Jose (Trust Trade) dated 09/25/2008. (NOTE: There is no signature of "Chief Accountant" as on purchase order for 050189258).

Purchase Order issued by Trust Trade to Glock (HK) Limited signed by Joy Gutierrez-Jose dated 05/22/2009.

Purchase Order No. 0080/2009 issued by Glock (HK) Limited (Hong Kong) to Glock Inc (USA) signed by E. Leung and Sven de Souter dated 06/10/2009.

End User's Certificate issued by PNP Logistics Support Service signed by George Q Piano dated 05/22/2009.

1B.

DSP-83 signed by Carlos Guevara (Glock) dated 09/09/2009; George Quinto Piano (Police Chief Superintendent) dated 07/27/2009; and Joselyn Gutierrez-Jose (Trust Trade) dated 07/24/2009.

Import Authorization No. PI-F158-09 issued by the Philippine National Police to Trust Trade signed by Jesus A Verzosa (Police Director General) and Lenbell J Fabia (Police Chief Inspector) dated 08/17/2009.

Contract Between Glock and Philippine National Police signed by Luizo C Ticman (Police Director), Jesus A Verzosa (Police Director General), Villamor A Bumanlag (Police Chief Superintendent), Joselyn Gutierrez-Jose (Trust Trade), Rebecca D Vidal (Trust Trade), and Roman E Loreto (Notary Public). Doc. No. 134 or 1314 (illegible), Page No. 27, Book No. 1, Series of 2009.

Purchase Order No. PNPPPO#0-270709-011 issued by the PNP

Logistics Support Service signed by George Q Piano (Police Chief Superintendent), Jesus A Verzosa (Police Director General), Antonio P Petrato (Chief Accounting Division), and Joselyn Gutierrez-Jose (Trust Trade) dated 07/27/2009.

Purchase Order issued by Trust Trade to Glock (HK) Limited signed by Joy Gutierrez-Jose dated 08/14/2009.

Purchase Order No. 0124/2009 issued by Glock (HK) Limited (Hong Kong) to Glock Inc (USA) signed by E. Leung and Sven de Souter dated 09/07/2009.

End User's Certificate issued by PNP Logistics Support Service signed by George Q Piano dated 07/27/2009.

1C.

DSP-83 signed by Carlos Guevara (Glock) dated 09/09/2009 and Joselyn Gutierrez-Jose (Trust Trade) dated 08/12/2009.

Import Authorization No. PI-F095-08 issued by the Philippine National Police to Trust Trade signed by Jesus A Verzosa (Police Director General) and Lenbell J Fabia (Police Chief Inspector) dated 03/26/2009.

Purchase Order No. 0122/2009 issued by Glock (HK) Limited (Hong Kong) to Glock Inc (USA) signed by E. Leung and Sven de Souter dated 09/07/2009.

Purchase Order issued by Trust Trade to Glock (HK) Limited signed by Joselyn Gutierrez-Jose dated 08/12/2009.

17. (U) Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone: 202-663-1929; Email: BallardKM@state.gov; SIPRNET: BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file on Intellipedia: [http://www.intelink.gov/wiki/Blue Lantern End-Use Monitoring Program](http://www.intelink.gov/wiki/Blue_Lantern_End-Use_Monitoring_Program)

18. (U) Department is grateful for Post's assistance in this matter.
CLINTON